

BILL # SB 1222

TITLE: adoption subsidies

SPONSOR: Gray

STATUS: As Introduced

PREPARED BY: Eric Jorgensen

FISCAL ANALYSIS

Description

This bill clarifies that children adopted through a public or private agency who have specific “special needs” can apply for an adoption subsidy, even after the adoption is finalized, if the special need later becomes apparent.

Estimated Impact

This bill is estimated to have no impact on the state General Fund. The Department of Economic Security (DES) is already allowed by statute to provide an adoption subsidy after an adoption is finalized if the special need was not diagnosed until after the adoption is finalized.

DES does not have an estimate of the cost of this bill.

Analysis

DES is expected to provide subsidies for about 10,700 adoptions, both from the department as well as private agencies in FY 2008. DES reports that approximately 98% of DES adoptions receive a subsidy. Based on data for Maricopa County, it is estimated that only about 4% of private agency adoptions receive subsidies. The average state cost per subsidy is estimated at \$4,225 per year; however, the federal government only provides matching monies if the subsidy was in place when the adoption was finalized. For adoptions that become eligible for subsidization after the adoption is finalized, the state would bear the full cost at an average of \$8,400 annually per adoption.

DES already has the ability to grant a subsidy for an adoption after it is finalized if a special need is later diagnosed in these currently unsubsidized cases. Therefore, this bill is not likely to produce additional costs to the state.

While DES provides subsidies to department or private agency adoptions, they do not provide assistance to non-agency adoptions arranged through a private attorney. This bill does not address those circumstances.

Local Government Impact

None.

2/13/07